

ORDER NO. 1989

UNITED STATES OF AMERICA  
POSTAL REGULATORY COMMISSION  
WASHINGTON, DC 20268-0001

Before Commissioners:

Ruth Y. Goldway, Chairman;  
Mark Acton, Vice Chairman; and  
Robert G. Taub

Competitive Product Prices  
Global Reseller Expedited Package Contracts 1  
(MC2010-21)  
Negotiated Service Agreement

Docket No. CP2014-29

NOTICE AND ORDER CONCERNING AN ADDITIONAL GLOBAL RESELLER  
EXPEDITED PACKAGE CONTRACTS 1 NEGOTIATED SERVICE AGREEMENT

(Issued February 19, 2014)

I. INTRODUCTION

*Background.* On February 14, 2014, the Postal Service filed a notice pursuant to 39 CFR 3015.5 announcing that it has entered into an additional Global Reseller Expedited Package Contracts 1 (GREPS 1) negotiated service agreement (Agreement).<sup>1</sup> The Agreement is the successor agreement to the contract previously approved in Docket No. CP2013-20.<sup>2</sup> The Postal Service seeks to have the Agreement

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<sup>1</sup> Notice of United States Postal Service of Filing a Functionally Equivalent Global Reseller Expedited Package 1 Negotiated Service Agreement, February 14, 2014 (Notice).

<sup>2</sup> *Id.* at 1. See also Docket No. CP2013-20, Order No. 1571, Order Approving an Additional Global Reseller Expedited Package Contracts 1 Negotiated Service Agreement, December 10, 2012.

included within the existing GREPS 1 product on grounds of functional equivalence to the baseline agreement filed in Docket No. CP2010-36.<sup>3</sup>

## II. CONTENTS OF FILING

*Agreement.* The Postal Service asserts that the Agreement is functionally equivalent to the baseline agreement approved in Docket No. CP2010-36. Notice at 3.

The Postal Service filed the following material in conjunction with its Notice, along with public (redacted) versions of supporting financial information:

- Attachment 1—a redacted copy of the Agreement;
- Attachment 2—a certified statement required by 39 CFR 3015.5(c)(2);
- Attachment 3—a redacted copy of Governors’ Decision No. 10-1; and
- Attachment 4—an application for non-public treatment of materials filed under seal.

*Functional equivalency.* The Postal Service asserts that the Agreement is substantially similar to the baseline agreement filed in Docket No. CP2010-36 because it shares similar cost and market characteristics and meets criteria in Governors’ Decision No. 10-1 concerning attributable costs. *Id.* at 4. The Postal Service further asserts that the functional terms of the Agreement and the baseline agreement are the same and the benefits are comparable. *Id.* It states that prices offered under the Agreement may differ due to postage commitments and when the Agreement is signed (due to updated costing information), but asserts that these differences do not alter the functional equivalency of the Agreement and the baseline agreement. *Id.* at 5. The Postal Service also identifies differences between the terms of the two agreements, but

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<sup>3</sup> Notice at 3. See also Docket Nos. MC2010-21 and CP2010-36, Order No. 445, Order Concerning Global Reseller Expedited Package Contracts Negotiated Service Agreement, April 22, 2010 (based on Governors’ Decision No. 10-1).

asserts that these differences do not affect the fundamental service being offered or the fundamental structure of the Agreement.<sup>4</sup> *Id.* at 5-7.

*Effective date; term.* The contract previously approved in Docket No. CP2013-20 is set to expire February 28, 2014. *Id.* at 3. The intended effective date for the Agreement is March 1, 2014. *Id.* The Agreement will remain in effect for one calendar year, unless terminated sooner pursuant to contractual terms. *Id.*, Attachment 1 at 6.

### III. NOTICE OF PROCEEDING

The Commission establishes Docket No. CP2014-29 for consideration of matters raised by the Postal Service's Notice. Interested persons may submit comments on whether the Agreement is consistent with the requirements of 39 CFR 3015.5 and the policies of 39 U.S.C. 3632 and 3633. Comments are due no later than February 26, 2014. The public portions of this filing can be accessed via the Commission's website, <http://www.prc.gov>. Information on how to obtain access to material filed under seal appears in 39 CFR 3007.40.

The Commission appoints James F. Callow to serve as Public Representative in the captioned proceeding.

### IV. ORDERING PARAGRAPHS

*It is ordered:*

1. The Commission establishes Docket No. CP2014-29 for consideration of matters raised by the Postal Service's Notice.
2. Comments by interested persons in this proceeding are due no later than February 26, 2014.

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<sup>4</sup> Differences include a new "Whereas" paragraph, numerous revisions to existing Articles, and five new Articles. *Id.*

3. Pursuant to 39 U.S.C. 505, James F. Callow is appointed to serve as an officer of the Commission (Public Representative) to represent the interests of the general public in this proceeding.
4. The Secretary shall arrange for publication of this Order in the *Federal Register*.

By the Commission.

Shoshana M. Grove  
Secretary